



## Budget Update

### Information Item

#### **FY 2007/08**

The budget includes 793.5 permanent positions and 14.7 temporary help person years (PYs), less 40.4 salary savings PYs, for a net total of 767.8 PYs. The total operating budget is \$259.8 million, of which \$73.1 million is allocated for personnel costs and \$186.7 million is allocated to operating expenses and equipment. The budget includes 3.0 proposed new positions, and the budget will not increase billing rates to customers.

The budget change proposals/technical adjustments included in the budget are:

1. **\$4.5 million** – Procurement of mainframe computer processing capacity to meet a projected 9 percent workload increase and for connectivity capacity upgrades.
2. **\$5.4 million** – Procurement of replacement equipment reaching end of life and increased data storage capacity of 21 percent for mainframe computers and 31 percent for midrange servers.
3. **\$11.1 million** – Replacement of 180 Windows servers and 34 UNIX servers and procurement of 130 Windows servers and 33 UNIX servers to provide for projected workload growth of 14 percent.
4. **\$3.9 million** – Procurement of network hardware and higher bandwidth circuits to assure that customer application processing times will not be degraded and to replace hardware that is no longer being supported.
5. **\$-9.3 million** – Technical adjustment to reduce the base budget for one-time costs and other cost adjustments of information technology projects approved in prior fiscal years.
6. **\$7.1 million** – Technical adjustments for employee compensation, retirement contribution rate changes, pro rata allocation changes, operating expense price increases, and other minor adjustments as approved by the Department of Finance.

**Total Adjustments: \$22.7 million**